



PARLIAMENT INVESTING

CLASSIFICATION STUDY

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DISCLAIMER 1:

THIS IS NOT FINANCIAL ADVICE

YOU'RE RESPONSIBLE FOR YOUR OWN MONEY.



DISCLAIMER 2:

**THIS PRESENTATION CONTAINS CLEANED UP
OFFENSIVE AND FOUL LANGUAGE NOT
SUITABLE FOR CHILDREN.**



TRADITIONAL METHOD:
(THINK 401K AT WORK)

RISK ASSESSMENT

**YOU PICKING FROM A LIST OF FUNDS THAT
CORRESPONDS TO YOUR RISK SCORE.**

YOU'RE REALLY DOING THE WORK.



FINTECH METHOD:
(WEALTHFRONT FOR EXAMPLE)

RISK ASSESSMENT

ROBO-ADVISOR PICKING FROM A LIST OF FUNDS THAT CORRESPONDS TO YOUR RISK SCORE.

YOU'RE RELYING ON THE MODEL.



OUR METHOD:

**WE LEVERAGE SOCIAL MEDIA AND THE
WISDOM OF THE CROWD TO DETERMINE
INVESTMENTS**

WHAT ABOUT RISK TOLERANCE?



**TO MANAGE YOUR RISK TOLERANCE WE
FOCUS ON 2 SUBREDDITS:**

R/INVESTING

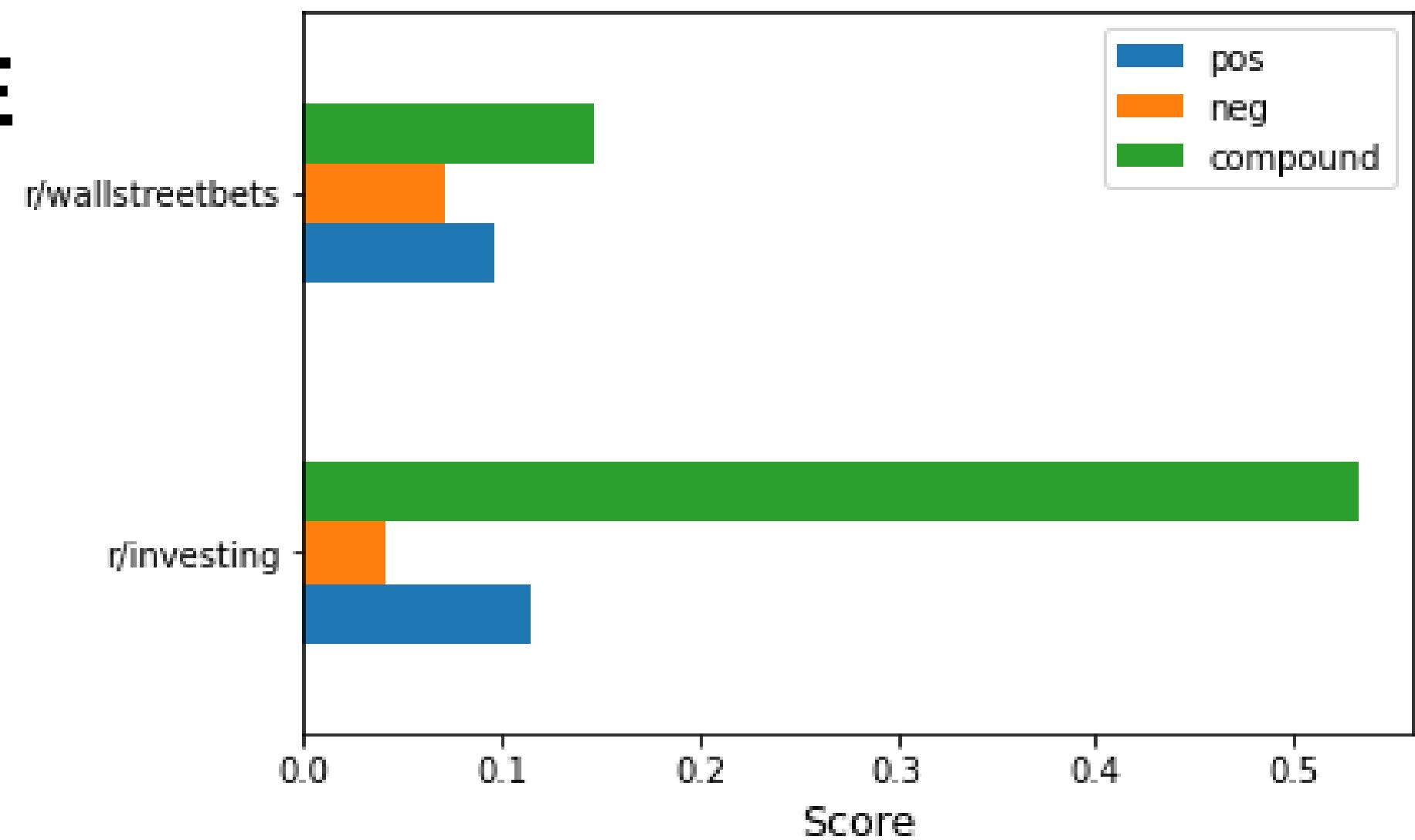
R/WALLSTREETBETS



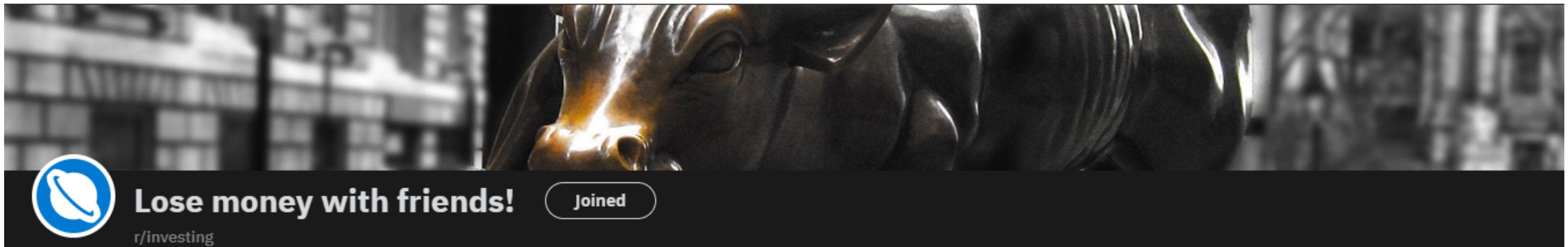
**R/WALLSTREETBETS:
OVERALL POSITIVE
BUT HAS A LOT MORE
NEGATIVE TOO.
MORE RISK.**

**R/INVESTING:
OVERALL
CONSISTENT,
POSITIVE VIBES**

Average Positive, Negative & Compound Scores



R/INVESTING:



MADE UP OF 1.3M MEMBERS

BEGINNER FRIENDLY

TAG LINE IS "LOSE MONEY WITH FRIENDS"



R/INVESTING TOP 5 MOST POSITIVE DOCUMENTS:

DO FOLKS INVEST WITH ETFS LIKE VOO/VIX...

GOOD READ!

8 BEST INVESTMENT APPS OF 2020

GET \$1000 SENT TO YOUR CASH APP!

HELLO, I'D LIKE TO FOLLOW A FEW FIRMS THAT PUBLISH ASSET ALLOCATION INSIGHTS...



R/INVESTING TOP 5 MOST NEGATIVE DOCUMENTS:

WOULD IT BE A GOOD IDEA TO START INVESTING STOCK INTO THAT?...

I'M TIRED OF BEING WRONG 80% OF THE TIME...

PROSECUTORS ARRESTED THE FORMER HEAD...

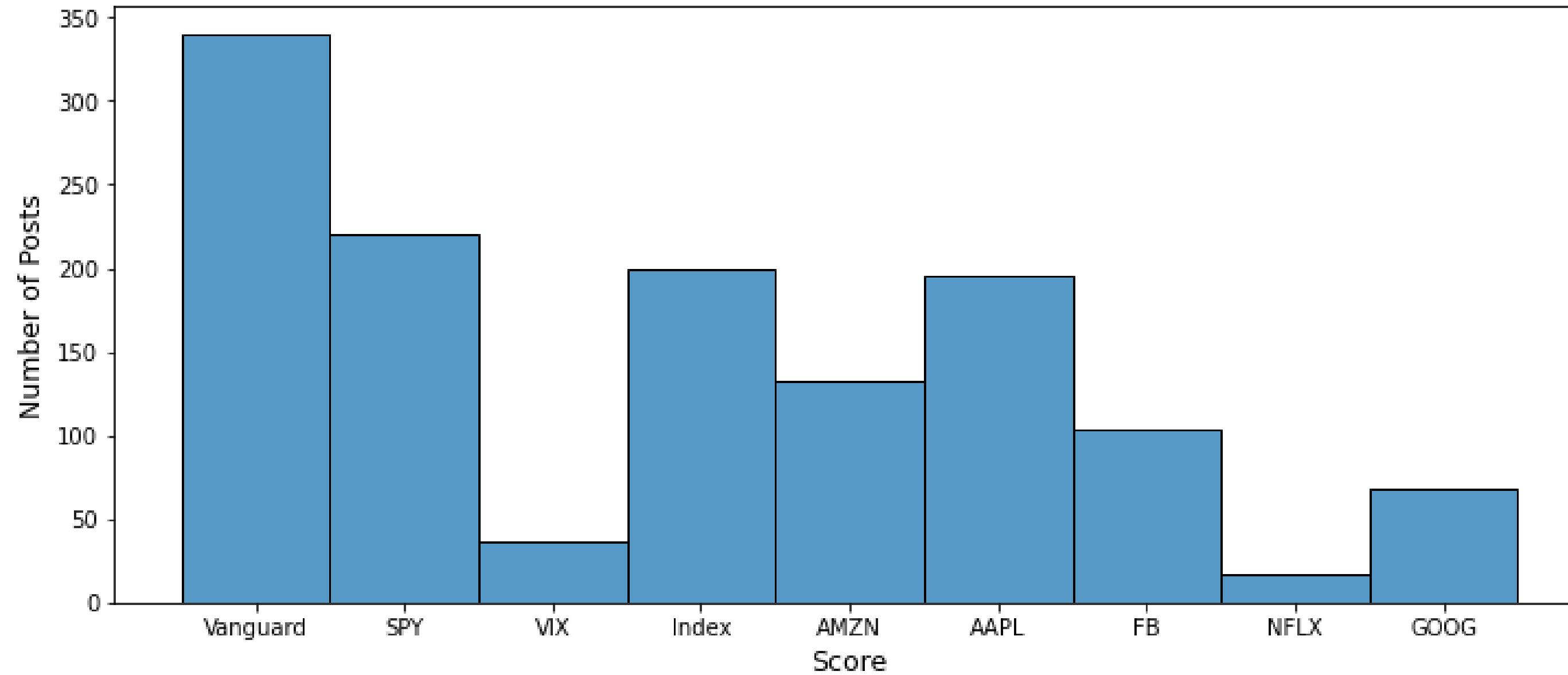
MONEY PRINTING GOES BEYOND CONTROL...

DELTA TO USE FREQUENT FLIER PROGRAM...



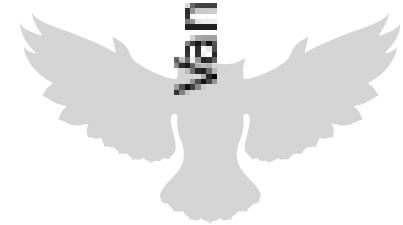
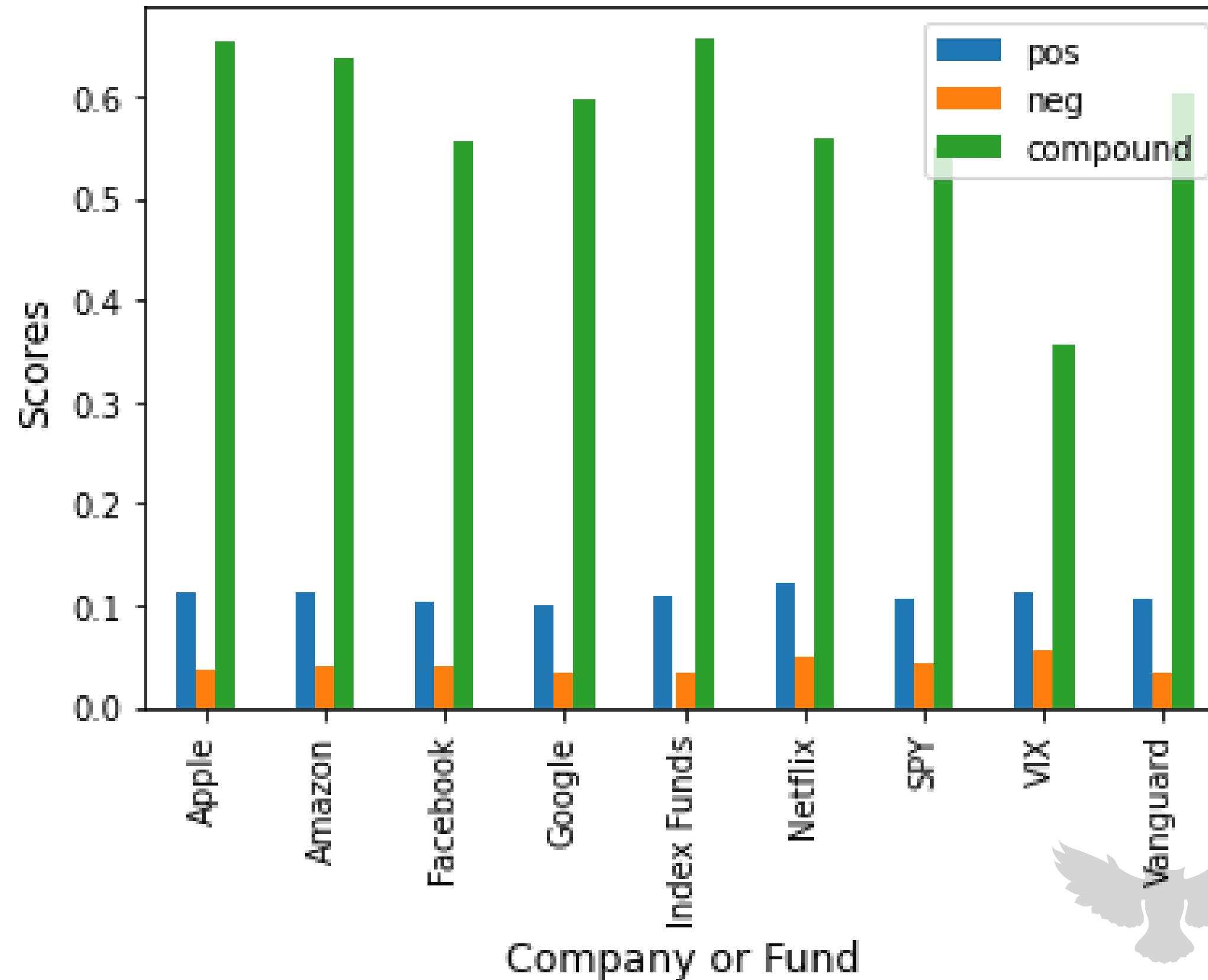
R/INVESTING FREQUENT INVESTMENTS: VANGUARD, SPY, INDEX FUNDS, APPLE

Number of Posts per Stock

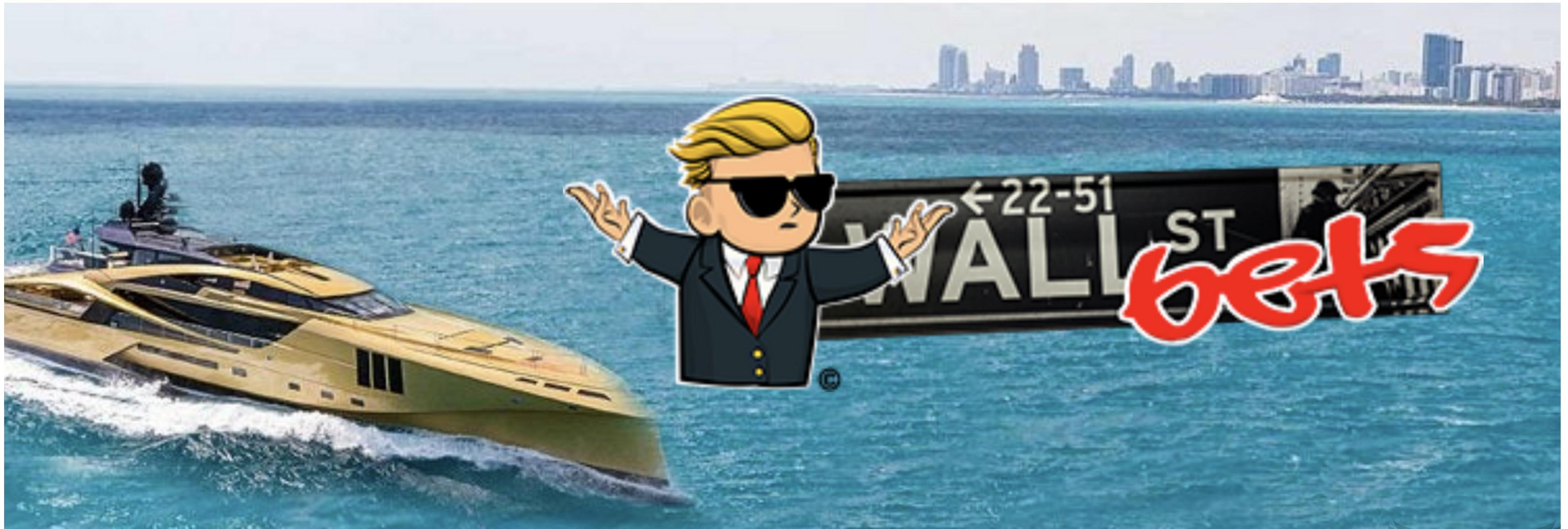


Average Positive, Negative & Compound Scores

R/INVESTING SENTIMENT SCORES OF FREQUENT INVESTMENTS:



R/WALLSTREETBETS:



R/WALLSTREETBETS:

**MADE UP OF 4.3M SELF DESCRIBED
DEGENERATES & AUTISTS**

**KNOWN FOR YOLOS, THROWING ALL YOUR
MONEY INTO ONE PLAY ☐**

**RECENTLY DECIDED TO TRY TO BANKRUPT
HEDGE FUNDS**



R/WALLSTREETBETS TOP 5 MOST POSITIVE DOCUMENTS:

YOLO

PLEASE HELP

HAPPY HOLIDAYS

GOD BLESS

HAPPY CHRISTMAS



R/WALLSTREETBETS TOP 5 MOST NEGATIVE DOCUMENTS:

NAH

BAN

SERIOUSLY

WTF WTF WTF WTF WTF WTF WTF WTF WTF

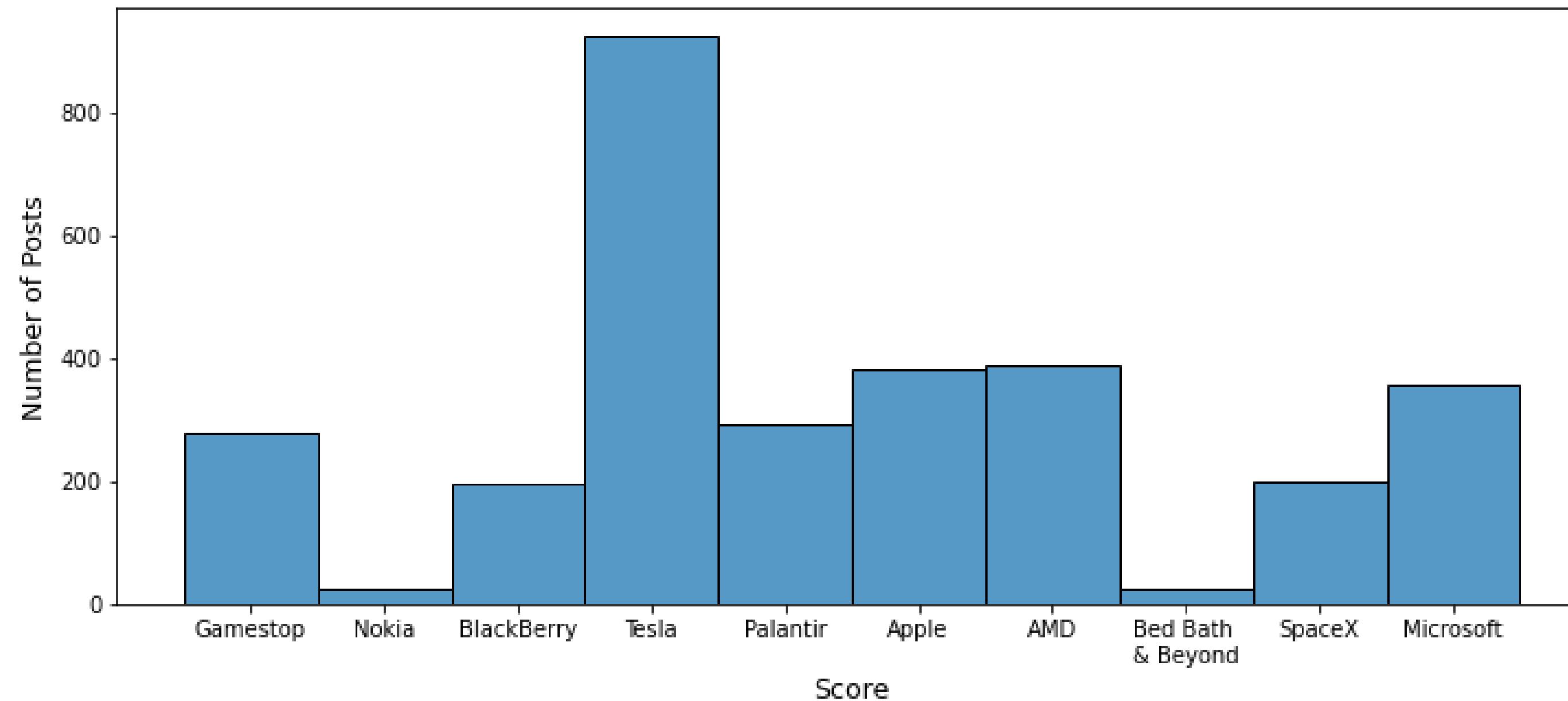
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R/WALLSTREETBETS FREQUENT INVESTMENTS:

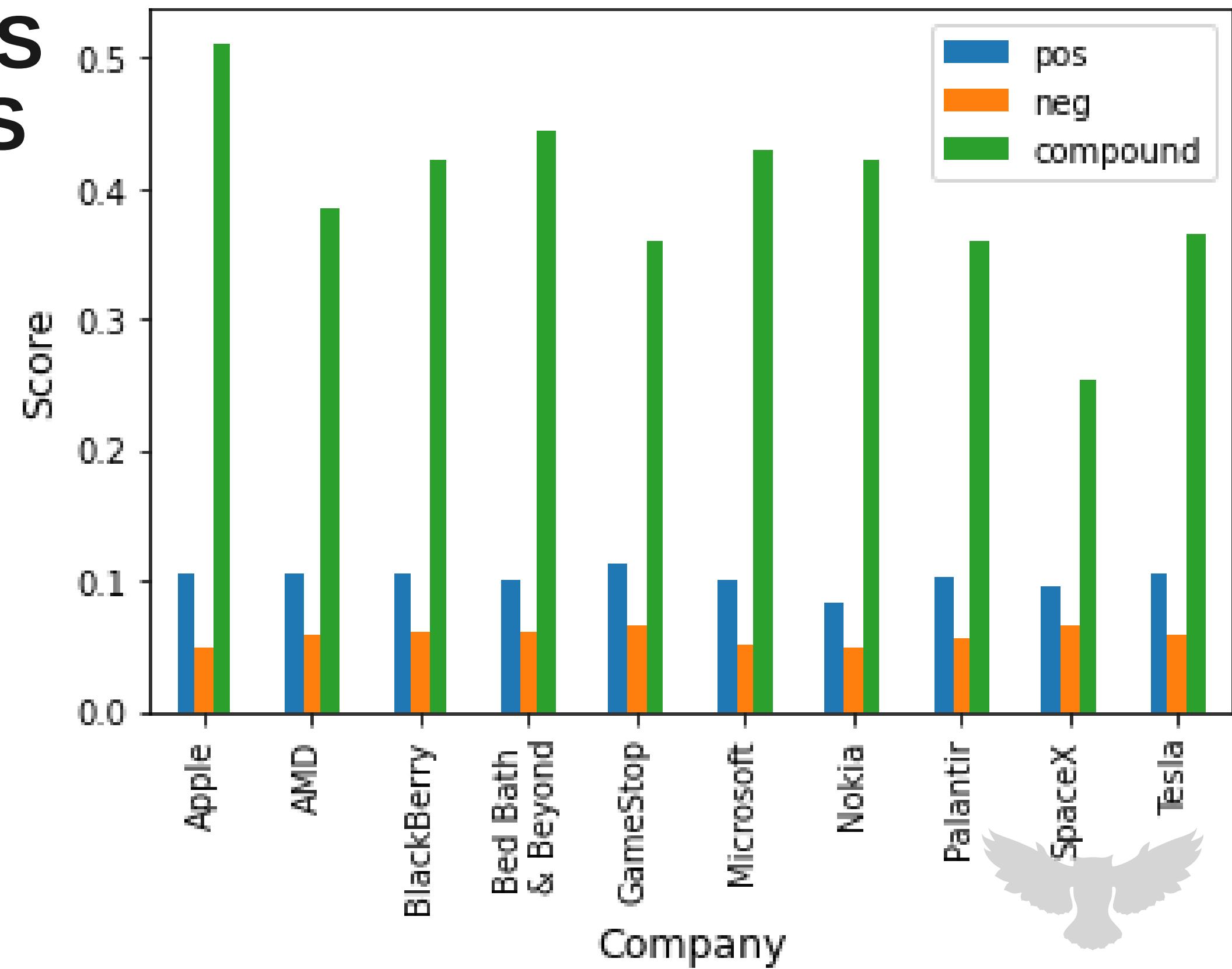
TESLA, AMD, APPLE, MICROSOFT, GAMESTOP

Number of Posts per Stock



Average Positive, Negative & Compound Scores

R/WALLSTREETBETS SENTIMENT SCORES OF FREQUENT INVESTMENTS:



TESTED MULTIPLE CLASSIFICATION MODELS:

LOGISTIC REGRESSION

MULTINOMIAL BAYES

KERNEL SVC

BASELINE MODEL: 50%



TESTED MULTIPLE CLASSIFICATION MODELS:

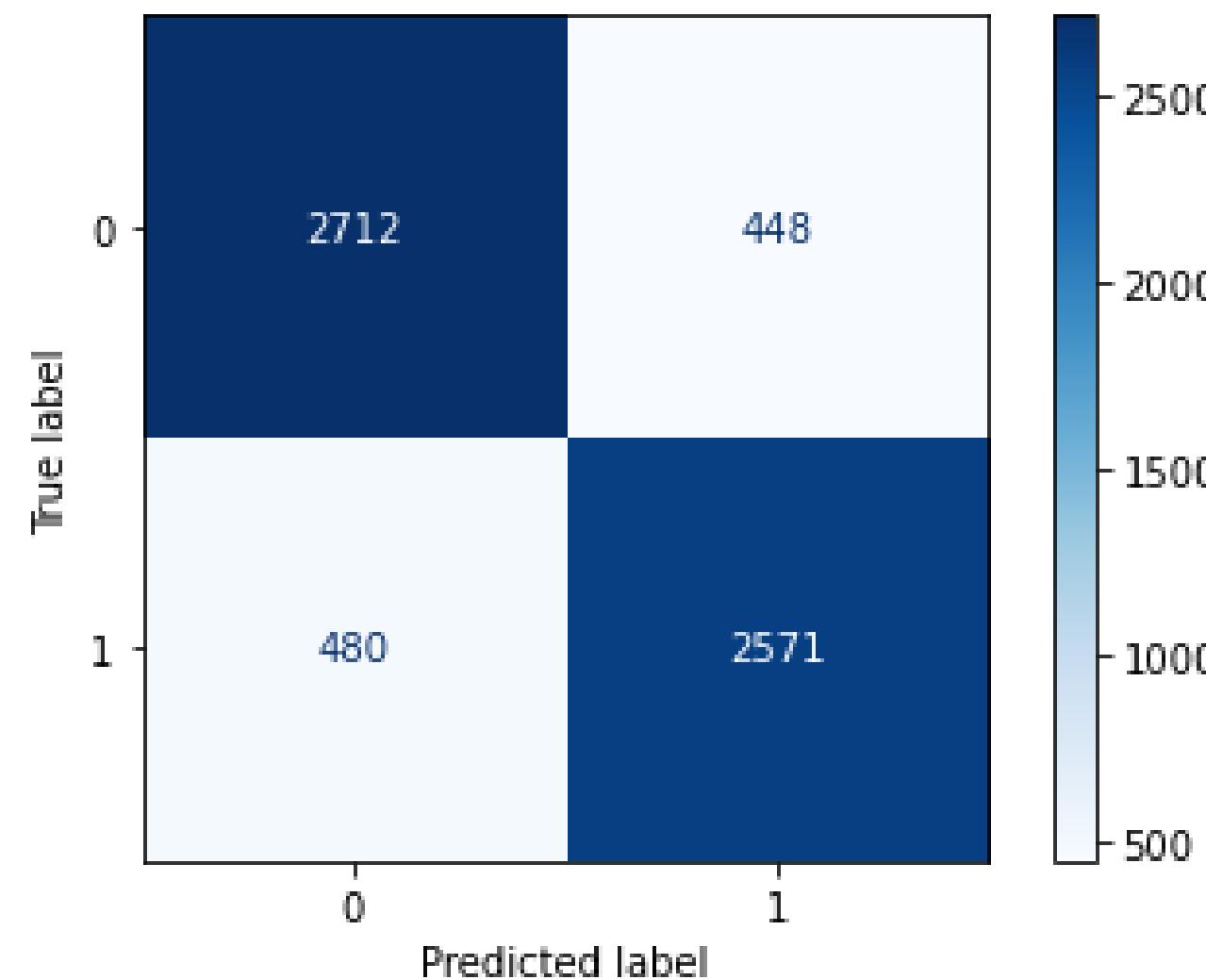
LOGISTIC REGRESSION

**0.88 ACCURACY TRAINING, 0.85 ACCURACY TESTING,
0.84 RECALL**

MODEL IS GOOD FIT AND GOOD RECALL



CLASSIFYING POSTS AS R/INVESTING OR R/WALLSTREETBETS



0.85 RECALL SCORE



WHY RECALL?

BEACUSE IF YOU ARE MISTAKENLY PLACED
INTO A HIGHER RISK INVESTMENT, YOU WON'T
BE COMFORTABLE WITH THE VOLATILITY.

0.85 RECALL SCORE



TESTED MULTIPLE CLASSIFICATION MODELS:

MULTINOMIAL BAYES

**0.85 ACCURACY TRAINING, 0.84 ACCURACY TESTING,
0.84 RECALL**

MODEL IS GOOD FIT AND GOOD RECALL



TESTED MULTIPLE CLASSIFICATION MODELS:

KERNEL SVC 2ND DEGREE W/ POLYNOMIAL
KERNEL FUNCTION

0.98 ACCURACY TRAINING, 0.80 ACCURACY TESTING,
0.79 RECALL

MODEL IS OVERFIT & HAD WORSE RECALL SCORE



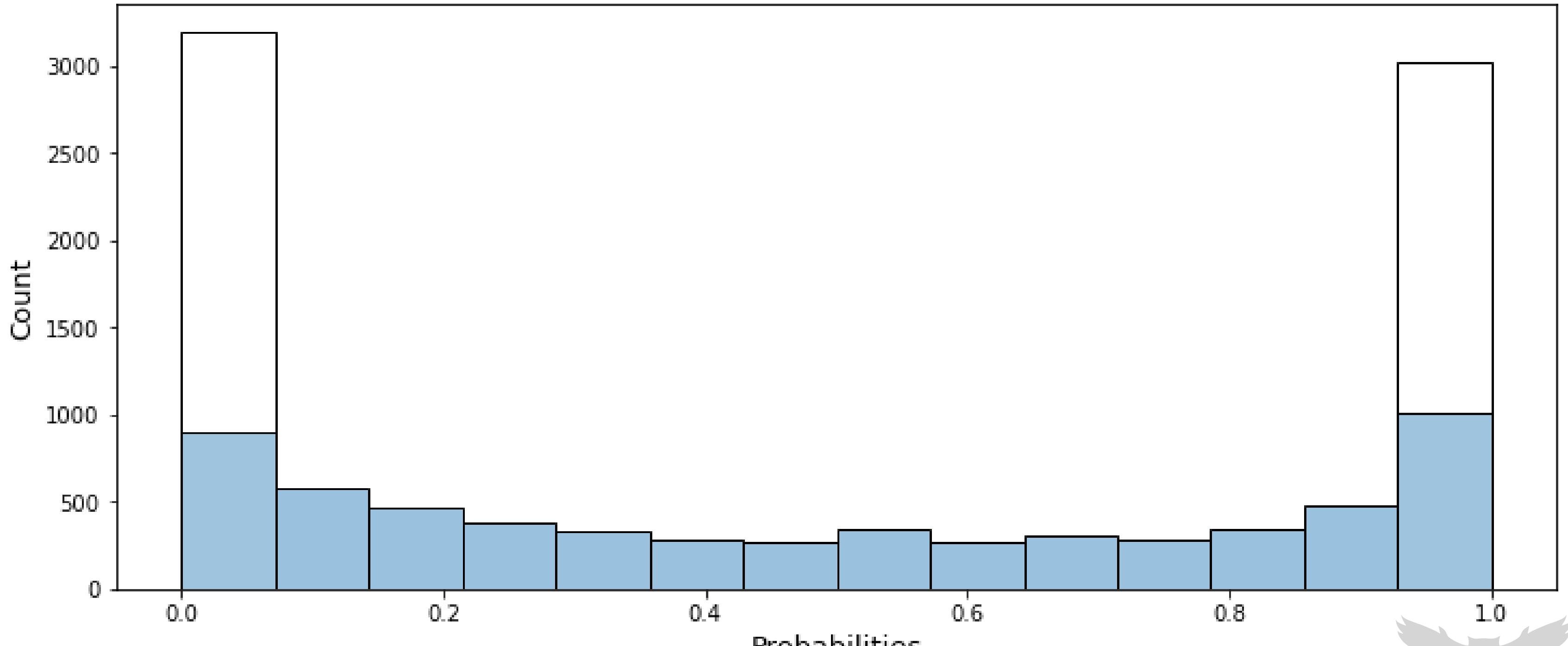
WENT WITH LOGISTIC REGRESSION:

**PERFORMED SIMILARLY TO OTHER MODELS
AND IS INTERPRETABLE.**

**ONLY WOULD HAVE USED SUPPORT VECTOR IF
THE METRICS GAVE ME A REASON TO.**



Probability that a post is r/wallstreetbets



**WE USE THE PROBABILITY OF BEING CLASS 0
VERSUS PROBABILITY OF BEING CLASS 1 TO
DETERMINE YOUR RATIO OF R/INVESTING
BASED VERSUS R/WALLSTREETBETS BASED
INVESTMENTS**



RISK ASSESSMENT STATEMENT:

ANSWER THE QUESTION: IF YOU WERE GIVEN THE CHOICE OF 100% CHANCE OF GETTING \$1,000 OR 50/50 CHANCE OF EITHER LOSING \$5000 OR GAINING \$10,000; WHICH WOULD YOU CHOOSE AND WHY:



ASSET ALLOCATION:

SO, IF YOUR RISK STATEMENT WERE TO HAVE PROBABILITIES OF 42.0% TO BE IN WALLSTREETBETS AND 68.0% INVESTING, YOUR PORTFOLIO WOULD BE WEIGHED ACCORDINGLY BETWEEN YOLO PLAYS AND INDEX FUNDS





**AT PARLIAMENT WE ARE DISRUPTING THE
TRADITIONAL FINANCIAL ANALYST ROLE BY
LEVERAGING MAIN STREET'S WISDOM OF THE
CROWD**

